



1) Freight/Delivery - Provide a complete and detailed description of the proposed freight model and outline the methodology of applying the transport, less than transport and tank wagon load rates to orders placed by the City of Fort Worth and other Participating Agencies (PA's) for diesel and unleaded fuels. Provide itemized examples for the various types of fuel, load sizes and locations.

The freight rate tables included in our proposal are intended to be reasonable examples of the freight rates to be expected with full transport type deliveries, rates can vary depending on geographic location and cost of ownership conditions. During any solicitation process Mansfield typically solicits freight quotes from 3-5 preferred carriers in any single market to determine the most cost effective solution for the customer. Overall cost of delivery is then evaluated by Mansfield to include not only actual freight rate but fuel surcharge values and any assessorial charges like pumps or split delivery fees. Here is a fairly basic example of our overall evaluation process where Carrier A had the lowest gross freight rate but not the overall lowest cost of delivery to a site with an above ground tank, this evaluation is typical of our overall process to each agency and each individual delivery point.

	Gallons	Rate	FSC	CPG	PUMP	TOTAL
Carrier A	7,500	0.0152	39%	0.0211	\$ 35	\$ 193.46
Carrier B	7,500	0.0169	31%	0.0221	\$ 25	\$ 191.04
Carrier C	7,500	0.0169	31%	0.0221	\$ 40	\$ 206.04
Carrier D	7,500	0.0183	29%	0.0236	\$ 35	\$ 212.05

Carrier charges and actual tables are reviewed by Mansfield for accuracy and compliance with agreed upon rates prior to payment to ensure the best overall value is achieved. Mansfield also has established a nation-wide network of less than truckload (LTL) partners that help provide coverage to facilities that cannot accommodate full transport type deliveries, the evaluation criteria and process is very similar.

2) Describe your process and capability to maintain freight/delivery pass-through costs at a highly competitive level.

Mansfield's carrier relations team solicits freight rate quotes for delivery to each specific site as requested by the customer. Thru this solicitation process we achieve the best overall delivered rate and pass that rate along to the purchasing agency. Freight rates are evaluated against new offers in the same general geographic area on an ongoing basis to ensure they remain competitive and relevant to current market conditions.

During the meeting it was discussed being able to hold freight rates for the term of the contract. While Mansfield will make every endeavor to ensure freight rates remain competitive within any given market across the US I am unable to promise that any original freight rate solicited and agreed upon would be able to be held for the term of this contract, there are simply too many factors associated with transportation that are beyond the control of Mansfield. We could provide the ability to “lock in” rates with our transportation partners on an annual basis and then review on each anniversary.

3) Describe how the proposed contract pricing and freight rate model can be audited for compliance should the need arise by any PA. Example: Name specific documents that will be made available upon request to a PA to ensure index price, differential and pass-through freight cost are accurate and compliant.

This solicitation is based upon the net OPIS average for the terminal City closest to the delivery point. We have provided a guaranteed differential against this specific index to purchasing agencies. However, it is against copyright laws for us to actually provide the agency with actual OPIS data, each agency would be responsible for obtaining an OPIS subscription on their own in order to validate our actual invoice pricing, Mansfield does provide a price letter which can be sent on a daily basis informing the procurement department of our sale price. As for the transportation aspect of the transaction, Mansfield is willing to share actual freight invoices with the purchasing agency to ensure compliance with the contract specifications. With over 450 transportation partners nationwide we have established relationships in all markets. During the course of freight logistics evaluation sometimes agencies have preferred transportation carriers, Mansfield will work with each agency to determine the most cost effective partner while taking into account previous relationships and the inherent benefit that those can bring to the transaction as well.

4) Describe any general restrictions of fuel type, minimum order quantities and other factors relevant to the use of this contract by a wide array of agencies nationwide. The basis of your response assumes any particular agency interested in the new program is currently supplied fuel of the desired type and quantity by a competing distributor.

Typically there are very few restrictions on deliveries imposed by Mansfield or our carrier partners aside from environmental or safety concerns and these are addressed with site personnel upon discovery. All freight is competitively solicited based on the delivery information provided by the participating agency. Freight rates can vary widely depending on volume ordered, quantity, and delivery method. Our delivery scope of business runs the



gamut from semi-annual generator top off deliveries up to single site locations moving 18,000-22,000 gallons per day and everywhere in between. With our large carrier partner network coupled with nationwide supply access we are able to provide secure supply and reliable delivery.

5) Discuss Mansfield’s abilities to provide short transport loads and tank wagon loads to agencies across the country.

Full transport minimum delivery volumes are specific sometimes to carriers and also geographic regions of the Country and clearly communicated to the participating agency during initial discussions about this offering. Short transport loads are part of this business and our carrier partners understand that. Best efforts are generally made to try and fill out transport trucks to achieve the best economics for the participating agency; at times, due to tank size or delivery restrictions filling out a full transports isn’t possible, in this case minimum freight charges are added to Mansfield’s invoice as a separate line item and passed along to the participating agency as part of the overall freight charges on the invoice. Additionally, our network of LTL carrier partners understands and is fully capable of single site deliveries (call in demand) in addition to multi-site “milk run” type activity.

6) Provide a proposed method of performing an itemized and total cost analysis for agencies who desire to compare their current fuel program to the new contract program available through National IPA. Include a sample customer facing outline of this capability.

A comparison of existing program’s pricing to the proposed program is a mathematical solution, assuming that the existing program is based upon a fixed differential and published index. Otherwise, the existing program will require examples of invoicing in order to create a benchmark analysis to compare pricing. This methodology is typically calculated against the proposed program’s fixed index for a true comparison of pricing differences. It can either be a compared as a cent per gallon or total cost annually.

An example of this type of comparison may include some of the following information to determine the best overall value for the participating agency:

<u>Program</u>	<u>Fuel Type</u>	<u>Markup</u>	<u>Freight</u>	<u>Gallons</u>	<u>Total Cost(annual)</u>
Proposed	Unleaded	\$0.0325	\$0.0415	100,000	\$7,400
Existing	Unleaded	\$0.0396	\$0.0380	100,000	\$7,760



Additionally, Mansfield understands that the total cost of fuel ownership for a participating agency cannot be captured fully in the cents per gallon markup of a product. Soft costs including administrative as well as accounting, processing, payment, audit and other variables, specifically those that are labor related, can have a profound effect on the overall fuel spend figure. Mansfield provides a fully electronic solution in order to counter those costs for our customers through the use of our electronic interface, FuelNet. Through FuelNet, customers may access their invoices, manage payments, view signed proofs of delivery as well as take advantage of multiple other service options Mansfield offers.

7) Describe the process, agency requirements and the maximum number of days required to set-up new accounts and delivery locations.

Mansfield has a very hands-on approach to new customer set ups. Within our team of account managers we have specific responsibility for geographic regions of the Country with support from the other team members to help with occasional overflow. The team is headed by a Supervisor who then reports to the Director of the group. Information sheets are requested by Mansfield from new agencies to ensure proper set up in our system with regard to site/tank information and establishing points of contact. Our information is also provided to you as most likely W9's are exchanged and A/P and A/R groups are coordinated. We strive to complete the process within 2-3 working days but are always aware that other factors can come into play. After set up completion the new agency is informed of their customer # and toll free # (or email if requested) to call when placing orders. We do have options to manually dispatch loads to new customers who aren't quite set up fully as we don't ever want a customer out of fuel.

We discussed during the meeting the possibility of being able to electronically upload individual sites into our system from the City's database or any participating agency; this option does exist, however it will still require detailed coordination between the groups to ensure accuracy within the system. Specific site information about tank locations/sizes, delivery hours, additional site level restrictions, and site level points of contact are essential for good communication between all participants in the transaction (buyer / supplier / transporter).

8) Provide additional detail on your ability and/or limitations to add rack locations, fuel types/products and differentials as required due to market conditions and unforeseen circumstances throughout the term of the contract.



Mansfield is established nationwide with access to multiple suppliers at virtually every public fuel terminal in the US. At this point we have sound historical relationships with most refiners nationwide and don't foresee the need to add many rack locations as we believe we have those relationships already established. Unforeseen circumstances are hard to predict but we proudly stand by our record of deliveries in the State of Florida during numerous hurricanes over the past decade, including our ability to secure product outside of the State and long haul it into impacted areas. During Hurricane Sandy (October-November 2012) in the Northeast, Mansfield did not let any of our impacted customers (transits, school districts, State agencies) run out of fuel and even managed to help a few sites that were unable to secure fuel with the contracted supplier. This past winter, in the general Chicago area and across the upper Midwest, we performed well again under difficult temperature and weather conditions time after time. Mansfield has a significant book of business related to Government agencies, many of which are first responders and emergency providers in nature; we are extremely cognizant of the role they play in the community and those agencies are always provided fuel as a top priority within our system.

9) Can Mansfield Oil Company supply DEF in bulk, gallon drums or in gallon containment to the City of Fort Worth and/or other PA's? If so, at what cost for each type.

Yes, Mansfield has a fully established nationwide network where we distribute and sell DEF in all of the modes described. Pricing in the general Fort Worth area delivered to your sites for pallet of 2.5 gallon jugs would be \$2.75-\$3.00 per gallon, delivery of 55 gallons drums (3 per site minimum order) would be \$2.25-\$2.50 per gallon, and bulk delivery into storage tanks would be \$1.25-\$1.50 per gallon; these prices are indications and subject to change depending on market conditions as well as actual delivery location.

10) Can Mansfield Oil Company supply E85 to the City of Fort Worth location? If, so at what cost for transport loads, provider bobtail and/or in house bobtail truck designed to carry E85. Include freight for each on separate line by delivery truck type (i.e. transport, bobtail, etc.)

E-85 is within our overall product slate that we can provide. Transportation of this product is conceptually no different than normal delivery of gasoline and the freight rates would be comparable. There could be an additional charge incurred if petroleum terminals in the nearby geographic area don't allow for in-line blending of the finished product; in this case splash blending to achieve the final product blend would be needed. Since OPIS doesn't report E-85 as a finished product in many markets the pricing would have to be customized. The gasoline portion of the load could be billed according to the index proposed in this



offering; then perhaps full ethanol (E-100) portion billed at a cost plus scenario assuming OPIS doesn't provide that as a benchmark index either. Given current pricing, a cost plus would help to pass along the potential savings of ethanol to the agency compared to trying to index that product to a base gasoline in the market.

For the City of Fort Worth specifically, Mansfield has provided a differential on the excel workbook on the Dallas Metro tab for this product. We would remain committed to exploring any other pricing option with additional participating agencies based on need.

11) Can Mansfield Oil Company supply Jet-A fuel and from preferred terminal (Motiva) for the City of Fort Worth Police Heliport?

Mansfield currently doesn't provide Jet-A (insurance requirements) to customers, however we can certainly explore the option of purchasing fuel from a third party and having that fuel delivered to your site utilizing a flash transfer of ownership. We have accomplished this in a few instances on special occasions previously. We could even explore the possibility of having Motiva make the sale with Mansfield simply helping to arrange the logistics of the delivery to your location.

Mansfield has further explored this option with our insurance provider and has determined that we are approved to engage in the sale of Jet-A. Pricing for such has been included in the bid excel workbook on the Dallas Metro tab. We have also reached out to a couple of our transportation partners in your market to ensure they had the capability to haul this product and secured positive answers.

12) The City of Fort Worth has a present agreement for Jet-A fuel and would like to negotiate price if Mansfield Oil Company can provide. Would Mansfield Oil Company entertain request? Yes, Mansfield would be more than happy to explore this option with the City.

13) Could Mansfield Oil provide (SME) Soy-Methyl-Ester Biodiesel to the City of Fort Worth locations? If, so at what cost for B2, B5, B10, B15, and B20?

Yes, we currently purchase multiple blends of bio diesel within the Fort Worth/Dallas, TX area. Within the Fort Worth area we are able to procure SME biodiesel blends from a local storage terminal which secures the product from an accredited BQ9000 producer. As is the case with most commodity driven products prices can vary widely based on geographic area and security



of supply; currently in the Fort Worth area we would expect to be able to secure the biodiesel portion of any delivery at a discount to the ULSD value.

14) Discuss Mansfield's proposed national program, include:

a. Mansfield's corporate, sales and marketing commitments to market the City of Ft. Worth contract to public sector agencies across the country;

Mansfield has a national scope sales team geographically distributed throughout the US dedicated to refined fuels (FOB, delivered, and consigned), fuel card programs, additive (winter cold flow and on-going preventative), CNG, and our line of DEF products and equipment. Any potential contract with Fort Worth specifically would be administratively supported out of our Gainesville, GA office with the logistics of each specific order handled by our regional Houston, TX office or other regional offices as applicable to the agency's specific location. Additional participating agencies would be assigned account managers commensurate with their geographic region but overall administration and responsibility of the contract will reside with the Gainesville office. Mansfield attends numerous trade shows annually related to many different aspects of our business and would plan to educate potential customers and partners about this program at these events. All of this provides us with the band-width and capability to effectively serve the possible constituents looking to participate in this program. Mansfield is already a participant in the BuyBoard program as well as Texas Association of School Boards (TASB) so we are familiar with some of the inter-local participation programs within the State of TX.

I know we talked about the marketing aspect in the meeting. As of right now, Mansfield doesn't have a specific sales representative that would be assigned to this program. That determination would be made after further consultation and with a broader and sometimes more detailed understanding of the geographic footprint of the participating agencies. It is entirely likely that there would be a combination of sales representatives each covering a geographic region with responsibility for the agencies within that territory, with national coordination from a senior account level participating in the entire process.

b. Provide a response to Attachment A, Exhibit A, 3.3 Marketing and Sales (page 48 & 49 of the RFP);

For over 50 years, Mansfield has delivered energy solutions to industry leaders in the commercial, government and retail sectors. Operating coast to coast, no other organization



has the scale, the expertise and the track record of Mansfield. Our broad industry capabilities enable us to develop comprehensive and reliable fueling solutions. Mansfield offers a myriad of continuing education classes for all employees and sales staff on supply, derivatives, complex logistics, and disaster recovery/preparedness. In addition to our ongoing conversations, our sales representatives are brought in quarterly for market updates on trends we see across the nation and new ways to go to market with both our current product slate and new enhancements to our current offerings as well.

Along with our team of 35+ sales staff members, Mansfield has recently implemented the 'Sales Academy'. This program recruited 10 marketing college graduates with equally diverse backgrounds from across the nation with the objective to guide them through a combination of field sales mentoring and classroom based training on tactics for successful sales, developing a customer-focused approach and negotiation. If awarded, Mansfield will broadcast the news internally to all sales representatives and establish a training session detailing the contract specifications. Directly after, a news release will be published in FuelNews 360 which reaches 7,600+ readers nationwide daily. Partnering with National IPA will allow Mansfield to reach out to government agencies that may not currently have a contract or rely on daily spot quotes from local vendors to secure competitively priced fuel.

c. The payment terms offered to the City of Ft. Worth are Net 15. Describe any flexibilities in determining payment terms for other PAs. Include how shorter or longer payment terms may affect Mansfield Oil's response for other agencies located across the country; and
Mansfield offers a wide array of flexible payment plans as different agencies have controls they must follow during the payment approval process. Mansfield has current customers with payment terms ranging from pre-pay to 60 day terms and everywhere in between. Our offer was predicated and built under the assumption of 15 day payment terms as indicated in the RFP, longer terms would require increases to the differential based on expected payment delay from 15 days.

d. Provide any exceptions to Attachment A, Exhibit B Administration Agreement.
Mansfield's legal group has reviewed this section and at this point does not have any exceptions to take. However, we would like the opportunity to discuss page 49 section 3.3.D regarding Mansfield's logo and its use. Would the City or National IPA be willing to discuss the following verbiage as replacement? "Your company will agree to provide its company/corporate logo(s) to National IPA in the sole and reasonable discretion of the



company, for use of such logo in marketing communications and promotions during the term of this agreement.”

15) Additive options and program

Mansfield partners with Innospec and Afton Chemical to provide nationwide coverage and offer a wide variety of options. We have attached specifications for a few of the additives we offer along with some of the basic options available to individual customers on possible treatment methodology and testing. We offer multiple options with regard to cold flow improvers for winter time use, we offer year round treatment options for diesel fuel and, if necessary, options for treatment of microbial growth sometimes prevalent amongst bio-diesel blends. Less widely used but also available are water dispersants and re-liquefier for gelled diesel. Additive costs can vary greatly depending location and delivery/storage method at the participating agency but a good general ballpark figure for cold flow improver is \$0.0200 to \$0.0250 per treated gallon of diesel. Mansfield will line item the expense for each individual additive on the participating agency’s invoice after agreeing upon the additive cost, this will ensure that all additive options are explored and the agency has made the best decision based on cost and performance characteristics of the product.

16) 70/30 blend pricing

Mansfield has provided pricing for this product in the excel workbook on the Dallas Metro tab specifically for the City of Fort Worth. However, we are currently unable to determine that #1 ULSD is actually physically available in the Dallas/Fort Worth metropolitan area; a winterized #2 ULSD is available as are cold flow additive options. If the actual product can be sourced in the area then pricing would be 70% of the #2 OPIS and 30% of the #1 OPIS plus the quoted differential across both products.

17) Delivery timeframe from order

Most standard delivery timeframes are within 24 hours from receipt of order; this applies to both transport and tank wagon. In a few rare instances (weather related, extremely long distance from terminal, massive supply shortages) there could be an additional requested 24 hours to coordinate the logistics of a “long haul” to the participating agency.

18) Pricing estimate for purpose of creating a PO by purchasing agency

Some agencies will need pricing estimates in order to create a purchase order prior to receipt of actual product, this helps in populating their system so that internal costs can be assigned

to proper departments. This can be difficult since pricing on this solicitation is based on day of delivery. Mansfield will work with agencies with this requirement to arrive at a best practice methodology of estimating the cost so each agency can accrue value correctly.

19) Payment terms

Pricing for this solicitation was based on payment terms of net 15 days from receipt of a correct invoice; this value was taken from page 26, section 7.0 of the RFP document. Mansfield is certainly willing to entertain extended terms with participating agencies however there would be an additional cost associated with longer payment terms. For net 30 day terms the additional cost above the currently quoted differential would be +\$0.0030 per gallon.

20) Offerings not provided in the initial submission

Mansfield would like to clarify that while we did not provide an offer on every product and delivery type combination in our original submission we are certainly able to negotiate and provide a quote for any product/delivery method that a participating agency would entertain. While transport type loads are certainly our forte we have the capability to provide services on all other modes of transportation (LTL, retail card services, mobile fueling) and have a full slate of products available to us at racks across the US.

21) DEF pricing methodology

Mansfield has submitted pricing for DEF on the Dallas Metro pricing tab. I would like to take this opportunity to expand upon the pricing levels just a bit. All of the prices quoted are reasonable estimates with delivery fee to the site shown separately. Pricing for the small gallon container is assuming delivery of a pallet of (72) 2.5 gallon jugs; the 55 gallon container is pretty self-explanatory with the disclaimer there is a 3 drum minimum per site order. The pricing assumption made for the bulk gallon containment was that we were making a delivery into an existing stationary tank or existing 330 gallon tote that was already on site and in operation, we were simply delivering the actual DEF product and not the storage unit.